

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Adoption of its 2004 Energy Resource
Recovery Account (ERRA) Forecast Revenue
Requirement, for Review of Contract
Administration, Least Cost Dispatch and
Procurement Activities during the Record Period
January 1, 2003, Through May 31, 2003, and for
Approval of its 2004 Ongoing Competition
Transition Charges (CTC) Revenue Requirement
and Proposed Rate Design.

Application 03-08-004
(Filed August 1, 2003)

(U 39 E)

**ADMINISTRATIVE LAW JUDGE'S RULING REGARDING PROTESTS TO
AMENDMENT TO APPLICATION AND STATUS OF EVIDENTIARY HEARING**

This ruling solicits the parties' comments on whether the evidentiary hearings scheduled for April 5, 2004 through April 8, 2004 on the 2004 Competition Transition Charges (CTC) should proceed as scheduled, or be deferred to a later date. The possible schedule change is due to the filing of Pacific Gas and Electric Company (PG&E's) amendment to its application on February 17, 2004, and the protests to the amendment that were filed by the Modesto Irrigation District (Modesto ID) and the Merced Irrigation District (Merced ID).

Under the February 3, 2004 scoping memo, the testimony on the 2004 CTC revenue requirement by non-PG&E participants was to be served on March 19, 2004. Only the Modesto ID submitted testimony on the CTC issue.

The testimony of Modesto ID refers to the information contained in PG&E's amendment.

Pursuant to the scoping memo, the rebuttal testimony of PG&E on the CTC issue is to be served on March 30, 2004, and evidentiary hearings on the 2004 CTC revenue requirement issue are to begin April 5, 2004.

The protest of the Merced ID to PG&E's amendment raises similar objections of the kind that the Modesto ID raised in its original protest to PG&E's application, and in its protest to PG&E's amendment. Merced ID, however, did not submit any testimony on the CTC issue, and did not indicate in its protest whether it plans to participate in the hearings scheduled to begin on April 5, 2004 or if the CTC hearing schedule should be delayed as a result of the amendment.

Since the timing of the amendment and the protests to the amendment were not taken into account when the scoping memo was issued, an argument could be made that the evidentiary hearings starting on April 5 should be postponed to a later date so that all parties have an opportunity to fully consider the changes contained in PG&E's amendment relating to the CTC issue. The argument could also be made that the evidentiary hearing scheduled to begin on April 5 should not be delayed because the testimony of the Modesto ID already addresses the changes in PG&E's amendment, and other interested parties were aware since February 17, 2004 that they could submit testimony about PG&E's amendment to the CTC issue.

In order to provide the protestants to the amendment and other interested parties with an opportunity to fully respond to PG&E's amendment as it affects the 2004 CTC revenue requirement, the protestants, PG&E, and other parties interested in the CTC issue may file a response to this ruling no later than March 29, 2004, and shall serve the response by electronic service. The response

shall indicate whether the CTC hearings scheduled to begin on April 5, 2004 should be delayed, or whether the hearings should begin as originally scheduled, including adjudication of the February 17, 2004 amendment as it relates to the CTC issue.¹ If a delay is requested, the party shall indicate whether it plans to submit additional testimony, and the proposed schedule for serving the new testimony and for new evidentiary hearing dates.

The assigned Administrative Law Judge will then notify the service list on March 30, 2004 on whether or not hearings on the 2004 CTC revenue requirement will proceed as scheduled on April 5, 2004.

IT IS RULED that the protestants to Pacific Gas and Electric Company's (PG&E) amendment, PG&E, and other parties interested in the 2004 CTC revenue requirement issue may file a response on or before March 29, 2004 as to whether the evidentiary hearings on the CTC issue should be delayed or proceed as scheduled, and such a response shall be served on the service list by electronic service.

Dated March 25, 2004 at San Francisco, California.

¹ Merced ID or other parties interested in the CTC issue, as amended by the February 17, 2004 amendment, can choose to participate in the currently scheduled CTC hearings through the examination of the PG&E and Modesto ID witnesses, and/or the filing of briefs.

/s/ JOHN S. WONG

John S. Wong
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Protests to Amendment to Application and Status of Evidentiary Hearing on all parties of record in this proceeding or their attorneys of record.

Dated March 25, 2004, at San Francisco, California.

/s/ ELIZABETH LEWIS

Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

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(415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.